

Kentucky

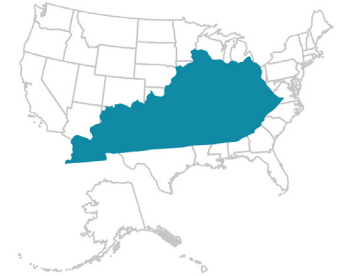


Table 1: Other Tobacco Product Taxation

OTP Taxed? No Yes

If yes, which products are taxed as of January 1, 2014?

✓ Yes Blank No -- Not Applicable/Addressed

Product	Taxed?	Type of Tax		How Defined?	How Taxed?	Rate Change Since 2005?
		Ad Valorem	Specific			
Cigars	✓	✓		With OTPs	With OTPs	↑
Cigarillos	✓	✓		With OTPs	With OTPs	↑
Little Cigars	✓	✓		With OTPs	With OTPs	↑
Pipe Tobacco	✓	✓		With OTPs	With OTPs	↑
Roll-Your-Own Tobacco	✓	✓		With OTPs	With OTPs	↑
Dry Snuff	✓		✓	With OTPs	Stand-alone	↑
Moist Snuff	✓		✓	With OTPs	Stand-alone	↑
Snus	✓		✓	With OTPs	Stand-alone	↑
Smokeless Tobacco Generally	✓		✓	With OTPs	Stand-alone	↑
Dissolvables	✓	✓		With OTPs	With OTPs	↑
E-cigarettes	No	--	--	--	--	Not applicable

↓ Rate Decreased ↑ Rate Increased ↔ No Change

Table 2: Summary of Cigarette and OTP Tax Rates, Selected Years, 2005-2014

Product	2005	2008	2011	2014
Cigarettes	\$0.30/20 §	\$0.30/20 §	\$0.60/20 §	\$0.60/20 §
Cigars	--	7.5% WSP Δ	15% WSP Δ	15% DP Δ
Cigarillos	--	7.5% WSP Δ	15% WSP Δ	15% DP Δ
Little Cigars	--	7.5% WSP Δ	15% WSP Δ	15% DP Δ
Pipe Tobacco	--	7.5% WSP Δ	15% WSP Δ	15% DP Δ
Roll-Your-Own Tobacco	--	7.5% WSP Δ	15% WSP Δ	15% DP Δ
Dry Snuff	--	\$0.063/oz §	\$0.127/oz §	\$0.127/oz §
Moist Snuff	--	\$0.063/oz §	\$0.127/oz §	\$0.127/oz §
Snus	--	\$0.063/oz §	\$0.127/oz §	\$0.127/oz §
Smokeless Tobacco Generally	--	7.5% WSP Δ	15% WSP Δ	\$0.048/oz §
Dissolvables	--	--	--	15% DP Δ
E-cigarettes	--	--	--	--

Δ Ad Valorem; § Specific; -- Not taxed; WSP=Wholesale Sales Price; DP=Distributor's Price; oz=ounce.

WSP	Wholesale Sales Price
	"... gross receipts of any wholesaler derived from wholesale sales made ..." (KY. REV. STAT. ANN. § 138.140)

DP	Distributor's Price
	"... actual price for which the distributor sells tobacco products ..." (KY. REV. STAT. ANN. § 138.140)